

RESOLUTION NO 2012-05

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$625,000 WATER AND SEWER REVENUE AND TAX REFUNDING BONDS, SERIES 2012, OF THE TOWN OF ASHLAND CITY, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, the Town of Ashland City, Tennessee (the "Municipality" or the "Town"), pursuant to a resolution adopted by the Board of Mayor and Council (the "Board"), of the Municipality, has heretofore issued those certain \$3,175,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 2002, dated September 15, 2002 (the "Series 2002 Bonds"), the proceeds having been used for the purpose of providing funds to refund in advance of their maturity a portion of the Town's (i) \$3,000,000 Water and Sewer Revenue and Tax Bonds, Series 1995, dated December 1, 1995 (the "Series 1995 Bonds"), the proceeds of such Series 1995 Bonds having been used to finance improvements to the Town's water and sewer system, and (ii) \$1,675,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 1997, dated July 1, 1997 (the "Series 1997 Bonds"), the proceeds of such Series 1997 Bonds having been used to refund a portion of the Town's Water and Sewer Revenue and Tax Bonds, Series 1988, dated February 1, 1988 (the "Series 1988 Bonds"), the proceeds of such Series 1988 Bonds having been used to finance water and sewer system improvements for the Town;

WHEREAS, the Series 2002 Bonds maturing December 1, 2013 through December 1, 2015, inclusive, are outstanding in the aggregate principal amount of \$625,000;

WHEREAS, the Series 2002 Bonds are subject to redemption prior to maturity at any time at the price of par plus accrued interest to the date of redemption;

WHEREAS, the Board of the Municipality has determined that it is in the best interests of the Municipality to now refund the Series 2002 Bonds maturing December 1, 2013 through December 1, 2015, inclusive, prior to their maturity on the earliest practicable date;

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), to issue and sell refunding bonds for the purpose of refunding the Series 2002 Bonds prior to their maturity;

WHEREAS, a plan of refunding for the Series 2002 Bonds and a request to sell the refunding bonds by negotiated sale have been submitted to the Director of State and Local Finance for review as required by Sections 9-21-903, and 9-21-910, respectively, Tennessee Code Annotated, as amended, and the Director of State and Local Finance has issued a report thereon;

WHEREAS, the Board finds that it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of not to exceed \$625,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 2012 (the "Bonds"); and,

WHEREAS, it is necessary to authorize the form of, terms, and execution of, an agreement for the purchase of the refunding bonds (the "Bond Purchase Agreement"), to be entered into by and

between the Municipality and First Tennessee Bank National Association, Nashville, Tennessee (the "Purchaser"), in connection with the purchase of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND COUNCIL OF THE TOWN OF ASHLAND CITY, TENNESSEE, AS FOLLOWS:

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

"Act" means Title 9, Chapter 21, Tennessee Code Annotated, as amended.

"Authorized Representative of the Municipality" means the then Mayor or the then Recorder of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

"Board" means the Board of Mayor and Council of the Municipality.

"Bond" means individually, or "Bonds" means collectively, the Water and Sewer Revenue and Tax Refunding Bonds, Series 2012, of the Municipality authorized by this Resolution of the Board.

"Bond Counsel" means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement, dated the date of the sale of the Bonds, between the Municipality and the Purchaser.

"Bond Registrar" means the Recorder of the Municipality, or his or her successor, or successors hereafter appointed in the manner provided in this Resolution.

"Closing Date" means the date of delivery and payment of the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or affect the Bonds.

"Current Expenses" means all expenses incurred by, or on behalf of, the Municipality in connection with the operation, maintenance, repair, insuring, and administration of the System, including, but not necessarily limited to, salaries, wages, the cost of supplies, materials, utilities, and rental payments and the cost of audits, but shall specifically exclude depreciation, amortization, interest on bonds, and expenditures for any capital improvements of the System, the useful life of which is reasonably expected to exceed one year, determined in accordance with generally accepted accounting principles.

"Interest Payment Date" means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

"Mayor" means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

"Net Revenues" means for any period, the excess of Revenues of the System over its Current Expenses during such period determined in accordance with generally accepted accounting principles.

"Owner", "Bondholder", or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then outstanding Bond or Bonds.

"Principal Payment Date" means such date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be outstanding.

"Prior Outstanding Obligations" means the outstanding bonds of the Municipality which are payable from and secured by, at least in part, a pledge of the Net Revenues of the System, which pledge is prior to the pledge securing the Bonds, unless the documents authorizing such bonds permit additional bonds to be issued on a parity therewith, in which case the Bonds shall be on a parity.

"Recorder" means the duly appointed, qualified, and acting Recorder of the Municipality, or his or her successors.

"Resolution" means this Resolution, as supplemented and amended.

"Revenues" means all receipts, revenues, income, and other monies received by, or on behalf of, the Municipality from, or for, the operation of the System and all rights to receive such receipts, revenues, income, and other monies, whether in the form of accounts receivable, contract rights, or otherwise, and proceeds from insurance against loss of, or damage to, the System, or from any sale or conveyance, in accordance with the terms hereof, of all or part of the System.

"State" means the State of Tennessee.

"System" means the complete water and sewer system of the Municipality and all water and sewer system properties of every nature hereafter owned by the Municipality, including all improvements and extensions made by the Municipality while the Bonds remain outstanding, and including all real and personal property of every nature comprising part of or used or useful in connection with the water and sewer system and including all appurtenances, contracts, leases, franchises, and other intangibles.

Section 3. Authorization. For the purpose of providing funds to redeem the Series 2002 Bonds, there is hereby authorized to be issued water and sewer revenue and tax refunding bonds of the Municipality in the aggregate principal amount of not to exceed Six Hundred Twenty-Five Thousand Dollars (\$625,000). No Bonds may be issued under the provisions of this Resolution except in accordance herewith. The Board hereby finds that it is advantageous to the Municipality to issue the Bonds to redeem the Series 2002 Bonds.

Section 4. Form of Bonds; Execution. (a) The Bonds are issuable only as fully registered bonds, without coupons, in minimum denominations of \$5,000. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit "A" attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. The Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual signature of the Mayor and attested with the manual signature of the Recorder, and with the official seal of the Municipality impressed or imprinted thereon. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of the Bond Registrar on the certificate set forth on the Bonds.

(c) In the event any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the signature of such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the date of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Terms, Payment, and Certain Other Provisions of the Bonds. (a) The Bonds shall be designated "Water and Sewer Revenue and Tax Refunding Bonds, Series 2012". Each Bond shall be dated the date of issuance and delivery, or such other date as the Authorized Representatives of the Municipality executing the Bonds shall determine; shall be sold at the price of par; shall bear interest from the date thereof at a rate or rates to be hereafter determined by the officials of the Municipality executing the Bonds when said Bonds are sold, but not exceeding 3% per annum, such interest being payable semiannually on the first day of June and December of each year, commencing December 1, 2012; and, shall be payable on the first day of December in the principal amounts set forth below; provided, however, that the Mayor and the Recorder are hereby authorized to make such adjustments in the principal amounts as are necessary to provide the most effective overall debt service for the Municipality:

<u>Year</u>	<u>Principal Amount</u>
2013	\$ 200,000
2014	210,000
2015	<u>215,000</u>
Total	\$ 625,000

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest.

The principal of, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond. All rates of interest specified herein shall be computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days.

(b) Interest on the Bonds shall be payable by wire transfer, electronic means, or by check or other form of draft of the Bond Registrar, deposited by the Bond Registrar in the United States mail, first class postage prepaid, in sealed envelopes, addressed to the owners of such Bonds, as of the applicable Interest Payment Date, at their respective addresses as shown on the registration books of the Municipality maintained by the Bond Registrar as of the close of business fifteen (15) calendar days preceding the next Interest Payment Date. All payments of the principal of and interest on the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

Section 6. Redemption. The Bonds shall not be subject to redemption prior to maturity; provided however, at the option of the Municipality, upon fifteen (15) calendar days written notice to the registered owner, and with the consent of the registered owner, the Municipality may prepay the Bonds in full at the price of par plus a 1% premium, and accrued interest to the date of redemption. Notwithstanding the above, the Municipality may pay additional principal payments on the Bonds upon 15 days written notice to the registered owner.

Section 7. Registration, Negotiability, and Payment. (a) The Recorder of the Municipality is hereby appointed the Bond Registrar and paying agent (the "Bond Registrar"), and as such shall establish and maintain suitable books (the "Registration Books"), for recording the registration, conversion, and payment of the Bonds, and shall also perform such other duties as may be required in connection with any of the foregoing. The Bond Registrar is hereby authorized to authenticate and deliver the Bonds to the original purchaser thereof, or as he or she may designate, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bonds to be transferred in proper form with proper documentation as herein described. The Bonds shall not be valid for any purpose unless authenticated by the Bond Registrar by the manual signature of the Bond Registrar on the certificate set forth in Exhibit "A" hereto. The Bonds shall be fully registered as to both principal and interest and shall be fully negotiable upon proper endorsement by the registered owner thereof. No transfer of any Bonds shall be valid unless such transfer is noted upon the Registration Books and until such Bond is surrendered, cancelled, and exchanged for a new Bond which shall be issued to the transferee, subject to all the conditions contained herein.

(b) The Municipality may from time to time at its discretion remove the Bond Registrar and appoint a successor Bond Registrar to whom all records, documents, and instruments relating to its duties as Bond Registrar shall be delivered. Any successor Bond Registrar shall be appointed by resolution of the Municipality, and shall be a trust company or bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Fifty Million Dollars (\$50,000,000), and be willing and able to accept the office of Bond Registrar on reasonable and customary terms, and authorized by law to perform all duties imposed upon it by this Resolution.

Section 8. Exchange of Bonds. Bonds upon surrender thereof at the office of the Bond Registrar, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 9. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Bond Registrar at the office of the Bond Registrar, upon the surrender for cancellation thereof at the office of the Bond Registrar, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Bond Registrar shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered upon the registration books maintained by the Bond Registrar as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Bond Registrar upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Bond Registrar shall be affected by any notice to the contrary.

Section 10. Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall execute, and the Bond Registrar shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the Municipality and the Bond Registrar may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, and other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Neither the Municipality nor the Bond Registrar shall be obligated to exchange or transfer any Bond after the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date.

Section 11. Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond issued hereunder shall become mutilated, or be lost, stolen, or destroyed, such Bond shall, at the written request of the registered owner, be cancelled on the Registration Books and a new Bond shall be authenticated and delivered, corresponding in all aspects but number to the mutilated, lost, stolen, or destroyed Bond. Thereafter, should such mutilated, lost, stolen, or destroyed Bond or Bonds come into possession of the registered owner, such Bonds shall be returned to the Bond Registrar for destruction by the Bond Registrar. If the principal on said mutilated, lost, stolen, or destroyed Bond shall be due within fifteen (15) calendar days of receipt of the written request of the registered owner for authentication and delivery of a new Bond, payment therefor shall be made as scheduled

in lieu of issuing a new Bond. In every case the registered owner shall certify in writing as to the destruction, theft, or loss of such Bond, and shall provide indemnification satisfactory to the Municipality and to the Bond Registrar, if required by the Municipality and the Bond Registrar; provided that if the owner of such destroyed, stolen, or lost bond has a minimum net worth of at least \$25,000,000, such person's own unsecured agreement of indemnity shall be deemed to be satisfactory to the Municipality and to the Bond Registrar.

Section 12. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Bond Registrar shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Bond Registrar. Such executed certificate of authentication by the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under the Resolution as of the date of authentication.

Section 13. Source of Payment and Security. The Bonds, including the principal thereof, and the interest thereon, are payable primarily from and secured by a pledge of the Net Revenues to be derived from the operation of the System, and are hereby declared to be equally and ratably secured, subject to a prior pledge of such Net Revenues to Prior Outstanding Obligations, by a pledge of such Net Revenues. In the event a deficiency in such Net Revenues, the Bonds shall be payable from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. Said Bonds shall be a direct general obligation of the Municipality, for which the punctual payment of the principal of and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged.

Section 14. Levy of Taxes. For the purpose of providing for the payment of the principal of and interest on the Bonds, there is hereby pledged for such payment the Net Revenues derived from the operation of the System subject to the liens of the Prior Outstanding Obligations, in amounts not exceeding the amounts required to make such payments as they come due. In the event of a deficiency in the Net Revenues there shall be levied in each year in which such Bonds shall be outstanding a direct tax on all taxable property in the Municipality, fully sufficient to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Board of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal and interest, or any of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the general fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected. All such taxes levied and collected shall be deposited in a debt service fund for the System and used solely for the payment of principal and interest on the Bonds as the same shall become due.

Section 15. Equality of Lien. The punctual payment of principal of and interest on the Bonds shall be secured equally and ratably by the Net Revenues of the System without priority by reason of number, time of sale, or execution or delivery, and, subject to the payment of reasonable and necessary costs of operating and maintaining the System and the payment of the Prior

Outstanding Obligations, the Net Revenues of the System are hereby irrevocably pledged to the punctual payment of such principal and interest as the same become due.

Section 16. Charges for Services Supplied by the System. While the Bonds remain outstanding and unpaid, the Municipality covenants and agrees that it will permit no free service to be furnished to any consumer or user whatsoever, and the charges for all services supplied through the medium of the System to the Municipality and its residents and to all consumers shall be reasonable and just, taking into account and consideration the cost and value of the System and the cost of maintaining, operating, and insuring the System, and the proper and necessary allowances for the depreciation thereof, and the amounts necessary for the payment of principal of, premium, if any, and interest on, the Bonds payable from such Revenues, and there shall be charged against all users of the services of the System such rates and amounts as shall be fully adequate to meet the debt service requirements of the Bonds.

Section 17. Sale of Bonds. (a) The Bonds herein authorized are authorized to be sold by the Mayor at a private negotiated sale at a price of not less than par in accordance with the provisions of the Bond Purchase Agreement. The Bonds shall contain such terms, conditions, and provisions other than as expressly provided or limited herein as may be agreed upon by the Mayor of the Municipality and the purchaser of the Bonds, as set forth in such Bond Purchase Agreement.

The Mayor, in consultation with the Purchaser of the Bonds, is authorized, prior to the sale of the Bonds and the execution of the Bond Purchase Agreement, to make such changes in the structuring of the terms of the Bonds as the Mayor shall deem necessary to provide for the most efficient refunding of the Series 2002 Bonds, as may be in the best interests of the Municipality. In this regard, the Mayor, in consultation with the Purchaser of the Bonds, is authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein and to make adjustments to the maturity schedule set forth in Section 5 hereof, and to change the redemption provisions set forth in Section 6 hereof; provided, however, that no redemption premium shall be greater than two percent (2%).

(b) The form, content, and provisions of the Bond Purchase Agreement as presented to this meeting of the Board and attached hereto as Exhibit "B," are in all particulars approved, and the Mayor and the Recorder are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Bond Purchase Agreement in the name, and on behalf of the Municipality.

The Bond Purchase Agreement is to be in substantially the form now before this meeting of the Board, or with such changes therein as shall be approved by the Mayor and Recorder executing the same, their execution thereof to constitute conclusive evidence of the approval of any and all such changes or revisions.

The Authorized Representatives of the Municipality are hereby authorized, empowered, and directed, from and after the execution and delivery of the Bond Purchase Agreement to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and comply with, the provisions of said Bond Purchase Agreement, as executed and delivered.

Section 18. Disposition of Bond Proceeds. The proceeds from the sale of the Bonds shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof. Said proceeds shall be used, together with other available funds of the Municipality to

redeem the Series 2002 Bonds, such prepayment to occur on the first available date, but in no event later than eighty-nine (89) days from the date of issuance of the Bonds.

Section 19. Refunding of the Series 2002 Bonds. Upon the issuance and delivery of the Bonds, the principal and interest on the Series 2002 Bonds maturing December 1, 2013 through December 1, 2015, inclusive, is hereby authorized to be refunded and notice of such intent to refund the Series 2002 Bonds shall be given by the Municipality to the paying agent for the Series 2002 Bonds in accordance with the provisions of the resolution authorizing the issuance of such Series 2002 Bonds.

Section 20. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owner of the Bonds that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when, and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the Municipality represents that in the event it shall be required by Section 148(f) of the Code to pay "Rebatable Arbitrage," as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owners of the Bonds for purposes of federal income taxation.

Section 21. Designation of Bonds Qualified Tax-Exempt Obligations. The Municipality hereby designates the Bonds as "qualified tax-exempt obligations" within the meaning and for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Municipality reasonably anticipates that the amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii)) which will be issued during the calendar year by the Municipality (i) any issuer with respect to which the Municipality is deemed to be an "on behalf of" issuer, and (ii) all subordinate entities which are treated as one issuer under Section 265(b)(3)(E) of the Code, will not exceed \$10,000,000, and not more than \$10,000,000 of obligations issued by the Municipality (together with those issued by any other issuers that are treated as on issuer under such Section 265(b)(3)) during the 2012 calendar year will be designated as "qualified tax-exempt obligations".

Section 22. Resolution a Contract: Amendments. The provisions of this Resolution shall constitute a contract between the Municipality and the Owners of the Bonds and after the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution which would impair the rights of the Owners shall be made in any manner, until such time as all installments of the principal of and interest on the Bonds shall have been paid in full unless the consent of all of the Owners of all then outstanding Bonds has been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of the Owners. The laws of the State of Tennessee shall govern this Resolution.

Section 23. Remedies. Any Owner of the Bonds shall have such remedies as provided by Title 9, Chapter 21, Section 216, Tennessee Code Annotated, as amended.

Section 24. Failure to Present Bonds. In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Bond Registrar for the benefit of the Owner thereof, all liability of the Municipality to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Bond Registrar shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under this Resolution or on, or with respect to, said Bond, subject to escheat or other similar law, and any applicable statute of limitation.

Section 25. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions in the State of Tennessee are authorized by law to close, then the payment of the interest on, or the principal of such Bond need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions in the State of Tennessee are authorized by law to close, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 26. No Action to be Taken Affecting Validity of the Bonds. The Board hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for federal income tax purposes.

Section 27. Miscellaneous Acts. The Mayor and the Recorder, and all other appropriate officials of the Municipality, are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including but not limited to arbitrage certifications and financial advisory agreements, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds and for the redemption of the Series 2002 Bonds.

Section 28. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 29. Partial Invalidity. If any one or more of the sections, paragraph, or provisions of this Resolution, or of any exhibit or attachment hereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment hereto, but this Resolution, and the exhibits and attachments hereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, as the case may be.

Section 30. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Approved and adopted this 11th day of September, 2012.



Mayor

ATTEST:



Recorder

STATE OF TENNESSEE)
COUNTY OF CHEATHAM)

I, Phyllis Schaeffer, hereby certify that I am the duly qualified and acting Recorder of the Town of Ashland City, Tennessee (the "Municipality"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Mayor and Council (the "Board"), of said Municipality held on September 11, 2012; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates to, among other matters, the authorization of the issuance of not to exceed \$625,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 2012, by said Municipality; (4) that the actions by said Board, including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said Municipality this 11th day of September, 2012.


Recorder

(SEAL)



EXHIBIT A - FORM OF BOND

Registered
No. _____

Registered
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF CHEATHAM
TOWN OF ASHLAND CITY
WATER AND SEWER REVENUE AND TAX REFUNDING BOND,
SERIES 2012

Dated Date:

Registered Owner:

Principal Amount:

THE TOWN OF ASHLAND CITY, TENNESSEE (the "Municipality" or the "Town"), a lawfully organized and existing municipal corporation, for value received, hereby acknowledges itself indebted and promises to pay, as hereinafter set forth, in the manner hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Principal Payment Dates and in the Principal Amounts set forth on Exhibit A attached hereto and incorporated herein as fully as though copied, and to pay interest on said Principal Amounts from the date hereof, or such later date as to which interest has been paid, to the Principal Payment Dates set forth on Exhibit A, semiannually on June 1 and December 1 of each year, commencing December 1, 2012, at the Interest Rate per annum set forth on Exhibit A, with principal and interest being payable by wire transfer, check, draft, or warrant to the Registered Owner hereof at the address shown on the registration books of the Recorder maintained at the principal office of the Recorder, Ashland City, Tennessee, or his or her successor as registrar and paying agent (the "Bond Registrar"), on the fifteenth (15th) calendar day next preceding an interest payment date, in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts.

In the event that any amount payable hereunder as interest shall at any time exceed the rate of interest lawfully chargeable on this bond under applicable law, any such excess shall, to the extent of such excess, be applied against the principal hereof as a prepayment thereof without penalty, and such excess shall not be considered to be interest. All rates of interest specified herein shall be computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days.

The principal hereof and all installments of interest hereon, shall bear interest from and after their respective due dates at the same rate of interest payable on the principal hereof.

This bond is authorized and issued pursuant to and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended. Section 9-21-117, Tennessee Code Annotated, as amended, provides that this bond and the income therefrom shall be exempt from all state, county, and municipal taxation in the State of Tennessee, except inheritance, transfer, and estate taxes, and except as otherwise provided in said Code.

This Bond is known as "Water and Sewer Revenue and Tax Refunding Bond, Series 2012" (the "Bond"), issued by the Municipality in the principal amount of \$625,000. The Bond, which is issued for the purpose of providing funds to redeem the outstanding principal of those certain \$3,175,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 2002, dated September 15, 2002 (the "Series 2002 Bonds"), maturing December 1, 2013 through December 1, 2015, inclusive, in the aggregate principal amount of \$625,000, the proceeds having been used for the purpose of providing funds to refund in advance of their maturity a portion of the Town's (i) \$3,000,000 Water and Sewer Revenue and Tax Bonds, Series 1995, dated December 1, 1995 (the "Series 1995 Bonds"), the proceeds of such Series 1995 Bonds having been used to finance improvements to the Town's water and sewer system, and (ii) \$1,675,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 1997, dated July 1, 1997 (the "Series 1997 Bonds"), the proceeds of such Series 1997 Bonds having been used to refund a portion of the Town's Water and Sewer Revenue and Tax Bonds, Series 1988, dated February 1, 1988 (the "Series 1988 Bonds"), the proceeds of such Series 1988 Bonds having been used to finance water and sewer system improvements for the Town, are authorized by appropriate resolutions of the Board of Mayor and Council and particularly that certain Resolution of the Board of Mayor and Council, adopted on September 11, 2012, as such resolution may be from time to time amended or supplemented in accordance with its terms (such resolution as so amended or supplemented, being herein called the "Resolution"), and are issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to, Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"). Copies of said Resolution are on file at the office of the Recorder of the Municipality, and reference is hereby made to said Resolution and the Act, for a more complete statement of the terms and conditions upon which the Bonds are issued thereunder, the rights, duties, immunities, and obligations of the Municipality, and the rights of the Registered Owner hereof.

This Bond is further issued pursuant to the provisions of that certain Bond Purchase Agreement, dated of even date herewith, by and between the Municipality and First Tennessee Bank National Association, Nashville, Tennessee, as the purchaser of the Bond (the "Bank"). This Bond shall be subject to the provisions set forth in the Bond Purchase Agreement.

This Bond and interest thereon are secured by a pledge of the income and revenues to be derived from the operation of the water and sewer system (the "System"), subject to the payment of reasonable and necessary costs of operating, maintaining, repairing, and insuring said System (the "Net Revenues"), the pledge of such Net Revenues being expressly subject, however, to certain pledges securing the payment of other outstanding obligations of the Municipality

heretofore issued by the Municipality. In the event of a deficiency in such Net Revenues, this Bond is payable from ad valorem taxes to be levied on all taxable property in the Municipality without limitation as to time, rate, or amount. For the prompt payment of this Bond, both principal and interest, as the same shall become due, the full faith and credit of the Municipality are hereby irrevocably pledged.

The Municipality hereby expressly reserves the right and privilege to hereafter issue and sell bonds payable from the Net Revenues of the System on a parity with the Bonds.

The Municipality has designated the Bond as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Subject to the provisions for registration and transfer contained herein and in the Resolution, this Bond is transferable by the Registered Owner hereof in person or by his, her, or its attorney or legal representative at the office of the Bond Registrar, but only in the manner and subject to the limitations and conditions provided in the Resolution and upon surrender and cancellation of this Bond. Upon any such transfer, the Municipality shall execute and the Bond Registrar shall authenticate and deliver in exchange for this Bond a new fully registered bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate. For every exchange or transfer of bonds, whether temporary or definitive, the Municipality and the Bond Registrar may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, or other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The Municipality and the Bond Registrar may deem and treat the person or entity in whose name this Bond is registered as the absolute owner hereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, and interest on, this Bond and for all other purposes. All such payments so made shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and neither the Municipality nor the Bond Registrar shall be affected by any notice to the contrary.

The Bond is issuable only as a fully registered Bond, without coupons, in the denomination of \$625,000. At the principal office of the Bond Registrar, in the manner and subject to the limitations, conditions, and charges provided in the Resolution, the Bond may be exchanged for an equal principal amount of Bonds of the same maturity, of authorized denominations, and bearing interest at the same rate.

The Bond may not be prepaid in whole or in part during the term of the Bond except as set forth in above; provided, however, that with the written approval of the Registered Owner after notification by the Municipality to the Registered Owner of its intent to prepay, the Municipality may prepay the Bond in whole at the price of 101% of the principal amount to be prepaid, plus accrued interest to the date of prepayment. Notwithstanding the above, the

Municipality may pay additional principal payments on the Bond upon 15 days written notice to the Registered Owner.

This Bond shall have all the qualities and incidents of, and shall be a negotiable instrument under, the Uniform Commercial Code of the State of Tennessee, subject only to provisions respecting registration of such Bond. This Bond is issued with the intent that the laws of the State of Tennessee shall govern its construction.

It is hereby certified, recited, and declared that all acts and conditions required to be done and to exist precedent to, and in the issuance of, this bond in order to make this bond a legal, valid, and binding obligation of the Municipality, have been done, and did exist in due time and form as required by the Constitution and statutes of the State of Tennessee, and that this Bond and the issue of which it is a part, together with all other indebtedness of such Municipality, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee.

IN WITNESS WHEREOF, THE TOWN OF ASHLAND CITY, TENNESSEE, by its Board of Mayor and Council has caused this bond to be executed by the manual signature of the Mayor and attested by the manual signature of the Recorder, to have its official seal to be impressed or imprinted hereon, all as of Sept. 11, 2012.

EXHIBIT B – FORM OF BOND PURCHASE AGREEMENT

TOWN OF ASHLAND CITY, TENNESSEE

AND

FIRST TENNESSEE BANK NATIONAL ASSOCIATION,
NASHVILLE, TENNESSEE

BOND PURCHASE AGREEMENT

Dated: _____, 2012

\$625,000
WATER AND SEWER REVENUE AND TAX
REFUNDING BOND, SERIES 2012

BOND PURCHASE AGREEMENT

Town of Ashland City, Tennessee
\$625,000

Water and Sewer Revenue and Tax Refunding Bond, Series 2012

THIS BOND PURCHASE AGREEMENT (the "Bond Purchase Agreement"), dated _____, 2012, is by and between the TOWN OF ASHLAND CITY, TENNESSEE (the "Municipality"), and FIRST TENNESSEE BANK NATIONAL ASSOCIATION, Nashville, Tennessee, a national banking association (the "Purchaser" or the "Bank"):

Section 1. Background.

1.1 (a) The Municipality will issue its \$625,000 Water and Sewer Revenue and Tax Refunding Bond, Series 2012, dated the date of issuance and delivery (the "Refunding Bond"), for the purpose of refunding the outstanding principal of those certain \$3,175,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 2002, dated September 15, 2002 (the "Series 2002 Bonds"), maturing December 1, 2013 through December 1, 2015, inclusive, in the aggregate principal amount of \$625,000, the proceeds having been used for the purpose of providing funds to refund in advance of their maturity a portion of the Town's (i) \$3,000,000 Water and Sewer Revenue and Tax Bonds, Series 1995, dated December 1, 1995 (the "Series 1995 Bonds"), the proceeds of such Series 1995 Bonds having been used to finance improvements to the Town's water and sewer system, and (ii) \$1,675,000 Water and Sewer Revenue and Tax Refunding Bonds, Series 1997, dated July 1, 1997 (the "Series 1997 Bonds"), the proceeds of such Series 1997 Bonds having been used to refund a portion of the Town's Water and Sewer Revenue and Tax Bonds, Series 1988, dated February 1, 1988 (the "Series 1988 Bonds"), the proceeds of such Series 1988 Bonds having been used to finance water and sewer system improvements for the Town;

(b) The Refunding Bond is issued pursuant to that certain resolution adopted by the Board of Mayor and Council of the Municipality on September 11, 2012 (the "Resolution").

(c) In accordance with the Resolution, the proceeds of the Refunding Bond will be used on or before _____, 2012, to refund the Series 2002 Bonds.

1.2 The Refunding Bond shall be in substantially the form set forth in the Resolution; shall be issuable as a fully registered bond, in the denomination of \$625,000; shall be dated the date of issuance and delivery; shall bear interest from such date payable semiannually on June 1 and December 1 of each year, with the first interest payment to be made on December 1, 2012; shall bear interest at the rate of ___%, subject to adjustment as set forth below, and shall mature on the first day of December in the years and in the principal amounts set forth below:

<u>Year</u>	<u>Principal Amount</u>
2013	\$ 200,000
2014	210,000
2015	215,000
Total	\$ 625,000

1.3 The Refunding Bond may not be prepaid in whole or in part during the term of the Refunding Bond; provided, however, that with the written approval of the Bank after notification by the Municipality to the Bank of its intent to prepay, the Municipality may prepay the Refunding Bond in whole at the price of 101% of the principal amount to be prepaid, plus accrued interest to the date of prepayment. Notwithstanding the above, the Municipality may pay additional principal payments on the Bond upon 15 days written notice to the Bank.

1.4 The Refunding Bond is payable as to both principal and interest are secured by a pledge of the income and revenues to be derived from the operation of the water and sewer system (the "System"), subject to the payment of reasonable and necessary costs of operating, maintaining, repairing, and insuring said System (the "Net Revenues"), the pledge of such Net Revenues being expressly subject, however, to certain pledges securing the payment of other outstanding obligations of the Municipality heretofore issued by the Municipality. In the event of a deficiency in such Net Revenues, the Bond is payable from ad valorem taxes to be levied on all taxable property in the Municipality without limitation as to time, rate, or amount. For the prompt payment of the Bond, both principal and interest, as the same shall become due, the full faith and credit of the Municipality is irrevocably pledged.

Section 2. Representations and Warranties of the Municipality.

The Municipality represents and warrants to the Bank (which representations and warranties will survive the purchase and delivery of the Refunding Bond) that:

2.1 The Municipality is a municipal corporation duly organized and validly existing under the laws of the State of Tennessee, and is authorized and empowered by the provisions of Title 9, Chapter 21, Tennessee Code Annotated, as the same may be from time to time supplemented and amended (the "Act"), and its Charter to enter into the transactions contemplated by this Bond Purchase Agreement and to carry out its obligations hereunder.

2.2 The Municipality has complied with the provisions of the Act and its Charter and has full power and authority to issue and sell the Refunding Bond as provided herein and in the Resolution and has full power and authority to enter into and has duly authorized the execution and delivery of the Resolution and this Bond Purchase Agreement.

2.3 The Resolution duly adopted by the Municipality and still in force and effect authorizes (1) the execution, delivery, and due performance of this Bond Purchase Agreement and the Refunding Bond, and (ii) the taking of any and all action as may be required on the part of the Municipality to carry out, give effect to and consummate the transactions contemplated by this Bond Purchase Agreement.

2.4 This Bond Purchase Agreement upon its effective date, will, assuming due execution by the other parties hereto, constitute a legal, valid, and binding obligation of the Municipality in accordance with its terms.

2.5 The Refunding Bond, when issued, delivered, and paid for as provided in this Bond Purchase Agreement is the valid and binding obligation of the Municipality enforceable in accordance with and entitled to the benefits and security of the Resolution and the other security therefor.

2.6 There is no action, suit, proceeding, or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Municipality, threatened against or affecting the Municipality (or, to the knowledge of the Municipality, any basis therefor) wherein an unfavorable decision, ruling, or finding would adversely affect (i) the transactions contemplated by this Bond Purchase Agreement or the validity of the Refunding Bond, the Resolution, this Bond Purchase Agreement, or any agreement or instrument to which the Municipality is a party and which is used or contemplated for use in the completion of the transactions contemplated hereby or (ii) the exclusion of interest on the Refunding Bond from gross income of the holders thereof for federal income tax purposes.

2.7 The execution and delivery of this Bond Purchase Agreement, the Refunding Bond, the Resolution, and the other agreements contemplated hereby and in compliance with the provisions thereof will not conflict with or constitute on the part of the Municipality a breach of or a default under any existing agreement, indenture, mortgage, lease, or other instrument to which the Municipality is subject or by which it is or may be bound or, to the best knowledge of the Municipality, any law, regulation, order, or decree applicable to the Municipality, of any court, regulatory body or administrative body having jurisdiction over the Municipality or its Refunding Bond.

2.8 Any certificate signed by an authorized officer of the Municipality delivered to any other party hereto shall be deemed a representation and warranty by the Municipality to any such party as to the statements made by the Municipality herein.

2.9 No further approval, consent, authorization or order of, or filing, registration or declaration with, or withholding of objection on the part of, any court or regulatory body, federal, state or local, is required in connection with (i) the issuance and delivery of the Refunding Bond by the Municipality, or (ii) the execution or delivery of or compliance by the Municipality with the terms and conditions of this Bond Purchase Agreement, the Resolution, or the Refunding Bond.

2.10 The Municipality will apply the proceeds from the sale of the Refunding Bond as provided in and subject to all the terms of the Resolution and will observe all covenants of Municipality in such Resolution.

2.11 The Municipality will not take any action or permit any action to be taken on its behalf, or cause or permit any circumstances within its control to arise or continue, if such action

or circumstances will adversely affect the exclusion from gross income of the interest on the Refunding Bonds for federal tax purposes.

Section 3. Representations and Warranties of the Bank.

3.1 The Bank has received all necessary information with respect to the Municipality necessary in order to purchase the Refunding Bond.

3.2. The Resolution, the Refunding Bond, and this Bond Purchase Agreement have been approved by the Bank and contain the terms agreed to by the Bank.

3.3 The Bank has made its own independent investigation and evaluation of the financial position of the Municipality, or has caused such investigation and evaluation of the Municipality to be made by persons it deems competent to do so.

Section 4. Purchase, Sale, and Closing.

4.1 Subject to the terms and conditions herein set forth, the Municipality agrees to sell to the Bank and the Bank agrees to purchase from the Municipality the Refunding Bond in the principal amount of \$625,000 at the price of par.

The closing for the Refunding Bond (the "Closing") will be held on _____, 2012 (the "Closing Date"). Payment for the Refunding Bond shall be made in a manner satisfactory to the Municipality and the Bank in immediately available funds (unless agreed upon otherwise by the Bank) against delivery to the Bank of the Refunding Bond purchased thereby. The Refunding Bond will be delivered at the Closing to the Bank.

4.2 The Bank's obligations to pay for the Refunding Bond and the obligations of the Municipality to issue the Refunding Bond are subject to the fulfillment of the following conditions at or before the Closing:

(a) The Municipality's representations hereunder are true as of the date hereof.

(b) The Resolution shall be in full force and effect and shall not have been amended or modified in any way which would adversely affect the Refunding Bond or the rights of any of the Bank and there shall have been no material adverse change in the properties, business (financial or otherwise), or results of the operation of the Municipality since the date of the adoption of the Resoluton.

(c) The Municipality shall not have defaulted in any of its respective covenants hereunder.

(d) The Refunding Bond and the Resolution, shall have been duly authorized, executed, and delivered in the form heretofore approved by the Bank with only such changes therein as the Bank and the other parties thereto shall mutually agree upon.

(e) The Bank shall have received or approved:

- (i) an opinion of Bond Counsel, dated as of the Closing, in form and substance satisfactory to the Bank;
- (ii) an opinion of counsel to the Municipality, dated as of the Closing, in form and substance satisfactory to the Bank;
- (iii) copy of the executed Resolution; and,
- (iv) closing certificates in forms satisfactory to the Bank.

(f) As of the date hereof there shall not be any litigation or proceeding pending or threatened challenging the validity of this Bond Purchase Agreement, the Resolution, the Refunding Bond, or any other attendant documents, impairing the ability of the Municipality to pay the Refunding Bond, or seeking to enjoin any of the transactions referred to therein, and the Bank shall have received a certificate or certificates to this effect.

Section 5. Miscellaneous.

5.1 No omission or delay by the Bank or the Municipality in exercising any right or power under this Bond Purchase Agreement will impair such right or power or be construed to be a waiver of any default or an acquiescence therein, any single or partial exercise of any such right or power will not preclude any other or further exercise thereof or the exercise of any other right, and no waiver will be valid unless in writing and signed by the Bank or, if a waiver of default is properly waivable by the Municipality, then signed by the Municipality and the Bank and then only to the extent specified. All remedies herein and by law afforded will be cumulative and will be available to the Underwriter and the Municipality until the Refunding Bond is paid in full.

5.2 This Bond Purchase Agreement and the rights and obligations of the parties hereunder shall not be assigned nor shall this Bond Purchase Agreement be amended without the written consent of the Bank and the Municipality.

5.3 A written notice required or permitted by this Bond Purchase Agreement may be delivered by depositing it in the United States mail, postage prepaid, as follows:

If to the Municipality:

Town of Ashland City, Tennessee
101 Court Street
Ashland City, Tennessee 37015
Attention: Mayor

If to the Bank:

First Tennessee Bank National Association
511 Union Street, 4th Floor
Nashville, Tennessee 37219
Attention: W.A. Stringer

5.4 This Bond Purchase Agreement has been executed and delivered in the State of Tennessee and it is the intention of the parties hereto that such document shall be governed by and construed in accordance with the laws of such State.

5.5 All representations, warranties, and agreements of the Municipality shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Bank, and shall survive delivery of the Refunding Bond to the Bank.

5.6 This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

5.7 The officers of the Municipality shall not be personally liable for any amounts, costs, losses, damages, or liabilities caused or incurred by the Municipality, the Bank, this Bond Purchase Agreement, the Resolution, or any other document or certification whatsoever, or for the payment of any other sum or the performance of any obligation or covenant under any of the above.

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed in their names and on their behalf as follows:

TOWN OF ASHLAND CITY,
TENNESSEE

By: 
Mayor

ATTEST:

By: 
Recorder

FIRST TENNESSEE BANK NATIONAL
ASSOCIATION, Nashville, Tennessee

By: _____
Vice-President

RESOLUTION 2012-04

A resolution by the Mayor and Council of the Town of Ashland City to approve Country Side Recycling to service the offices of the Town of Ashland City by recycling.

WHEREAS, the mission is to provide containers so employees of the Town of Ashland City can implement a recycling program for traditional recycling items such as glass, all paper, cardboard, aluminum/tin cans, all plastics and magazines.

WHEREAS, the Town of Ashland City employees desire to do their part for the environment by following the three R's: Recycle, Reduce, and Reuse.

WHEREAS, Country Side Recycling will come to the locations each Monday to empty recycling bins.

WHEREAS, the Town of Ashland City employees will reduce waste, encourage recycling and promote reuse.

BE IT FURTHER RESOLVED, the Mayor and Council of the Town of Ashland City adopts the above listed recycling program provided by Country Side Recycling and directs the city staff to embrace and encourage all citizens to do likewise.

This resolution shall take effect from and after its passage the public welfare requiring it.

Adopted this ____ day of _____, 2012


Rick Johnson, Mayor


Phyllis Schaeffer, City Recorder